

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

NOTICE OF THE ANNUAL GENERAL MEETING IN 2015

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of Xinte Energy Co., Ltd. (the “**Company**”) of 2015 will be held at the Conference Room of the Conference Center of TBEA Co., Ltd. at No.189, Beijing South Road, Changji, Xinjiang, the People's Republic of China (“**PRC**”) at 11:00 a.m. on Thursday, 16 June 2016 to consider and approve the following matters:

ORDINARY RESOLUTIONS

To consider and approve the following matters as ordinary resolutions:

1. To consider and approve the Report of the Board of Director of the Company for the year 2015.
2. To consider and approve the Report of the Supervisory Board of the Company for the year 2015.
3. To consider and approve the final financial accounts of the Company for the year ended 31 December 2015.
4. To consider and approve the annual report for the year 2015.
5. To consider and approve the profit distribution plan of the Company for the year ended 31 December 2015, i.e., the proposed distribution of a final dividend of RMB0.1 per share (tax inclusive) in cash in an aggregate amount of approximately RMB104,500,516 for the year ended 31 December 2015, and to authorize the Board of Directors of the Company (the “**Board**”) to implement the aforesaid distribution.
6. To consider and approve the remuneration plan for Directors and Supervisors of the Company for the year 2016.
7. To consider and approve the re-appointment of PricewaterhouseCoopers as the Company's international auditor for the year 2016 for a term until the conclusion of the next annual general meeting of the Company, and to authorize the audit committee of the Board to determine their remuneration.

8. To consider, confirm, rectify and approve the following matters under the TBEA Products Procurement Framework Agreement entered into by the Company and TBEA Co., Ltd. (“TBEA”):
- i. Continuing connected transactions during the year ended 31 December 2015, among which, the total relevant transaction amounted to RMB389,533,636.
 - ii. Revised annual caps as of 31 December 2016 and 31 December 2017.

SPECIAL RESOLUTIONS

To consider and approve the following matter as special resolution:

9. To consider and approve the granting of a general mandate to the Board to issue, allot and deal with additional domestic shares and/or H Shares not exceeding 20% of each of the total number of the domestic shares and H Shares of the Company respectively in issue, and to authorize the Board to make amendments to the Articles of Association of the Company (the “Articles”) as it thinks fit so as to reflect the new share capital structure upon the allotment or issue of additional shares pursuant to such mandate:

“THAT:

- (A) (a) subject to paragraph (c) and in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Articles and relevant laws and regulations of the PRC, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or deal with, either separately or concurrently, additional domestic shares and H shares of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Board during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the expiration of the Relevant Period;
- (c) each of the total number of domestic shares and H Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Board pursuant to the approval granted in paragraph (a) shall not exceed 20% of each of the total number of domestic shares and H Shares of the Company respectively in issue as at the date of passing of this resolution;
- (d) the Board will only exercise the above powers in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained; and

(e) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or other applicable laws to be held; or
- (iii) the date of revocation or variation of the authority given under this resolution by a special resolution of the Company in a general meeting.

(B) the Board be authorized to make amendments to the Articles as necessary so as to reflect the new share capital structure of the Company upon the allotment or issue of shares pursuant to this resolution.”

10. To consider and approve the issuance of the short term financing debentures with a registered principal amount in aggregate of not exceeding RMB1 billion (including RMB1 billion) in the PRC, and according to the requirement of the Company and market condition, to issue in separate tranches on a rolling basis within the effective registration period; to authorize the Board to deal with all such matters relating to the registration and issue of the aforementioned short term financing debentures at their full discretion, subject to relevant laws and regulations; and to approve the delegation of the authority by the Board to the management of the Company to deal with all such specific matters relating to the issue of the aforementioned short term financing debentures within the scope of authorization above.
11. To consider and approve the issuance of the medium term notes with a registered principal amount in aggregate of not exceeding RMB1 billion (including RMB1 billion) in the PRC, and according to the requirement of the Company and market condition, to issue in separate tranches on a rolling basis within the effective registration period; to authorize the Board to deal with all such matters relating to the registration and issue of the aforementioned medium term notes at their full discretion, subject to relevant laws and regulations; and to approve the delegation of the authority by the Board to the management of the Company to deal with all such specific matters relating to the issue of the aforementioned medium term notes within the scope of authorization above.
12. To consider and approve the resolution of the amendments to the Articles of Association.

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

Xinjiang, PRC, 29 April 2016

Notes:

1. **Important:** A circular setting out further details of the resolutions, the form of proxy and the AGM reply slip will be dispatched and published by the Company in due course. The Company will also dispatch and publish the Company's annual report for 2015 in due course. Shareholders of the Company ("Shareholders") who wish to appoint a proxy to attend and vote at the AGM shall first read the Company's annual report for 2015 published on the websites of The Stock Exchange of Hong Kong Limited and the Company, or dispatched to relevant Shareholders. The annual report for 2015 includes the Report of Board of Directors for the year 2015, the Report of Supervisory Board for the year 2015, the audited financial accounts and the auditor's report for the year 2015, etc.
2. In order to determine the holders of shares who are eligible to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 17 May 2016 to Thursday, 16 June 2016, both days inclusive. To be eligible to attend and vote at the AGM, unregistered holders of H Shares of the Company shall lodge share transfer documents with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 16 May 2016.

In order to determine the holders of shares who are entitled to receive the proposed 2015 final dividend, the register of members of the Company will be closed from Thursday, 23 June 2016 to Tuesday, 28 June 2016, both days inclusive. To be eligible to receive the final dividend for the year ended 31 December 2015 (subject to the approval of the Shareholders), unregistered holders of H Shares of the Company shall lodge share transfer documents with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 22 June 2016.

Pursuant to the Enterprise Income Tax Law of the PRC and its implementation rules, which came into force on 1 January 2008 and other relevant rules, where the Company distributes the proposed 2015 final dividend to non-resident enterprise Shareholders whose names appear on the register of members for H Shares of the Company, it is required to withhold enterprise income tax at the rate of 10%. Any H shares registered in the name of non-individual registered Shareholders, including HKSCC Nominees Limited, other nominees or trustees, or other organizations or groups, will be treated as shares being held by non-resident enterprise Shareholders, and consequently will be subject to the withholding of the enterprise income tax.

According to regulations by the State Administration of Taxation (Guo Shui Han [2011] No. 348) and relevant laws and regulations, if the individual holders of H shares are residents of Hong Kong or Macau or those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these Shareholders. If the individual holders of H shares are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of less than 10%, the Company will make applications on their behalf to seek entitlement of the relevant agreed preferential treatments pursuant to the relevant tax treaty. If the individual holders of H shares are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the actual tax rate stipulated in the relevant tax treaty. If the individual holders of H shares are residents of those countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or those countries which have not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of these Shareholders.

Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知) (Caishui [2014] No. 81), for dividends received by domestic individual investors from investing in H shares listed on The Stock Exchange of Hong Kong Limited through Shanghai-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in shares listed on The Stock Exchange of Hong Kong Limited through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

The Company will determine the resident status of the individual H Shares shareholders based on the registered address as recorded in the register of members of the Company on Tuesday, 28 June 2016 (the "Registered Address"). If the resident status of any individual H Share Shareholder is not in consistency with that indicated by the Registered Address, such individual H Share Shareholder shall notify the Company's H share registrar not later than 4:30 p.m. on Wednesday, 22 June

2016, and provide relevant supporting documents to the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Any individual H Share Shareholder who fails to provide relevant supporting documents within the time period stated above, may either personally or appoint an agent to attend to the relevant procedures in accordance with the requirements under the tax treaty notice.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual H shares shareholders and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the individual H shares shareholders or any disputes over the withholding mechanism or arrangements.

3. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies (whether he/she is a Shareholder) to attend and vote at the AGM on his, her or its behalf.
4. The instrument to appoint a proxy shall be signed by the appointer or his/her attorney duly authorized in writing or, in the case of a legal person, must be either executed under its common seal or under the hand of its director or attorney duly authorized.
5. To be valid, the form of proxy must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares of the Company) or the Company's Board secretary office (for holders of domestic shares of the Company) not less than 24 hours prior to the holding of the AGM. If such instrument is signed by another person under a power of attorney or other authorization documents given by the appointer, such power of attorney or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the form of proxy, be deposited at the specified place at the time set out in such form of proxy.
6. If the appointer is a legal person, its legal representative or any person authorised by resolutions of its board or other governing bodies may attend the AGM on behalf of the appointer.
7. The Company has the rights to request a Shareholder or a proxy who attends the AGM on behalf of a Shareholder to provide proof of identity.
8. Shareholders who intend to attend the AGM in person or by proxy shall return the AGM reply slip to the Company's Board secretary office in the PRC (for holders of domestic shares of the Company) by hand, by post or by fax, or return the AGM reply slip to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by hand or by post (for holders of H shares of the Company) on or before Thursday, 26 May 2016.
9. The AGM is expected to take less than half a day. Shareholders who attend the AGM shall be responsible for their own travel and accommodation expenses.
10. The contact of the Company is as follows:

Address:

No. 399, South Changchun Road, Urumqi,
Xinjiang, PRC

Contact person: Ms. Zhang Juan

Telephone number: +86-991-3665888

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; Mr. Qin Haiyan, Mr. Yang Deren and Mr. Wong, Yui Keung Marcellus as independent non-executive Directors.