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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Xinte Energy Co., Ltd., you should at once hand this circular and the accompanying form of proxy and reply slip to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**PROPOSED APPOINTMENT OF DIRECTOR
REGISTRATION AND ISSUE OF CORPORATE BONDS OF RMB2 BILLION
REGISTRATION AND ISSUE OF RENEWABLE CORPORATE BONDS OF
RMB1 BILLION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the second extraordinary general meeting (the "EGM") of 2018 of the Company to be held at the Conference Room, 21st Floor of TBEA Co., Ltd. at No. 189, South Beijing Road, Changji, Xinjiang, the PRC on Wednesday, 12 December 2018 at 11:00 a.m. is set out in this circular.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to Computershare Hong Kong Investor Services Limited and for holders of Domestic Shares, the form of proxy should be returned to the Company's Board secretary office not less than 24 hours before the time fixed for holding the EGM (i.e. no later than 11:00 a.m. on Tuesday, 11 December 2018) or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any other adjourned meeting should you so wish.

If you intend to attend the EGM in person or by proxy, you are required to complete and return the accompanying reply slip to Computershare Hong Kong Investor Services Limited (for holders of H Shares) or to the Company's Board secretary office (for holders of Domestic Shares) on or before Thursday, 22 November 2018.

6 November 2018

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“EGM”	the second extraordinary general meeting of 2018 to be held by the Company at the Conference Room, 21st Floor of TBEA Co., Ltd. at No. 189, South Beijing Road, Changji, Xinjiang, the PRC on Wednesday, 12 December 2018 at 11:00 a.m.
“Articles” or “Articles of Association”	the articles of association of the Company (as amended, modified or otherwise supplemented from time to time)
“Board of Directors” or “Board”	the board of directors of the Company
“Company” or “our Company” or “we” or “us”	Xinte Energy Co., Ltd. (新特能源股份有限公司), a joint stock limited company incorporated in the PRC and its H Shares are listed on the Hong Kong Stock Exchange
“Director(s)”	director(s) of the Company
“Domestic Shares”	ordinary shares in the Company’s share capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Executive Director(s)”	executive director(s) of the Company
“H Shares”	overseas listed foreign shares in the Company’s share capital with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Non-executive Director(s)”	independent non-executive director(s) of the Company
“Latest Practicable Date”	31 October 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Non-executive Director(s)”	non-executive director(s) of the Company
“Notice of EGM”	the notice convening the EGM

DEFINITIONS

“PRC” or “China”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of shares of the Company
“Share(s)”	shares in the share capital of the Company, with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
“Supervisor(s)”	the supervisor(s) of the Company

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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)

Executive Directors:

Mr. Zhang Jianxin (Chairman)
Mr. Yin Bo
Mr. Xia Jinjing

Non-executive Directors:

Mr. Zhang Xin
Ms. Guo Junxiang

Independent Non-executive Directors:

Mr. Qin Haiyan
Mr. Yang Deren
Mr. Wong, Yui Keung Marcellus

Registered office in the PRC:

No. 2499, Mianguangdong Street
Ganquanpu Economic and
Technological Development Zone
(Industrial Park)
High-tech Industrial Development Zone
(New Downtown)
Urumqi, Xinjiang, the PRC

*Headquarters and Principal place of
business in the PRC:*

No. 2499, Mianguangdong Street
Ganquanpu Economic and
Technological Development Zone
(Industrial Park)
High-tech Industrial Development Zone
(New Downtown)
Urumqi, Xinjiang, the PRC

Principal place of business in Hong Kong:

40/F, Sunlight Tower
248 Queen's Road East
Wanchai, Hong Kong

6 November 2018

To the Shareholders

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF DIRECTOR
REGISTRATION AND ISSUE OF CORPORATE BONDS OF RMB2 BILLION
REGISTRATION AND ISSUE OF RENEWABLE CORPORATE BONDS OF
RMB1 BILLION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to give you the Notice of EGM and provide you with relevant information to enable you to make informed decision on whether to vote for or against the resolutions (among others) to be proposed at the EGM for the following issues to be approved by way of certain ordinary or special resolutions:

Ordinary Resolution

1. Proposed appointment of Director.

Special Resolutions

2. Registration and issue of corporate bonds of RMB2 billion; and
3. Registration and issue of renewable corporate bonds of RMB1 billion.

1. PROPOSED APPOINTMENT OF DIRECTOR

An ordinary resolution will be proposed at the EGM to approve the appointment of Mr. Lin Chengfei as a Non-executive Director. The term of office will commence upon the approval by the Shareholders at the EGM and until the expiration of the term of the current session of the Board. Meanwhile, Mr. Lin Chengfei has also been nominated as a member of the audit committee of the Board, the service term of which is the same as his term as a Non-executive Director.

In addition, the Board agrees to authorise the remuneration and appraisal committees of the Board to determine the remuneration of the new Director in accordance with the remuneration plan for the Directors and Supervisors in 2018 approved at the general meeting of the Company, and to authorise the chairman of the Board or any of the Executive Directors to enter into a service contract with the new Director and handle all other relevant matters on behalf of the Company upon the proposed appointment of the candidate for the new Director being approved at the EGM.

Information of Nominated Director

Mr. Lin Chengfei

Mr. Lin Chengfei, aged 35, is a certified accountant of Institute of Chartered Accountants in England and Wales and a certified public accountant in Hong Kong. Mr. Lin Chengfei was a senior analyst in the investment consulting department of PricewaterhouseCoopers (London) from September 2009 to November 2012; a project manager in the mergers and acquisitions financing headquarters under the investment banking division of Southwest Securities International Securities Limited (西南證券股份有限公司) from August 2013 to June 2015; a vice-president of mergers and acquisitions division of CITIC Securities Credit Prosperity Equity Investment Co., Ltd. (中信証券信業股權投資管理有限公司) from June 2015 to May 2016; a general manager of Handi Investment Management Co. Ltd. (漢地投資管理有限公司) from May 2016 to July 2017; and has been the head of equity investment division of Minsheng CMH Investment Company Limited (中民華恒投資有限公司) since July 2017.

LETTER FROM THE BOARD

Mr. Lin Chengfei graduated from University of East Anglia (majoring in Accounting and Finance) with a Bachelor's degree in Management in July 2006. He later graduated from The London School of Economics and Political Science majoring in Real Estate Economics and Finance with a Master's degree in Economics in September 2007.

As of the Latest Practicable Date, save as disclosed above, (i) Mr. Lin Chengfei is not connected with any Directors, Supervisors, senior management, substantial shareholders (as defined under the Listing Rules) or controlling shareholders (as defined under the Listing Rules) of the Company; (ii) he has no interest in the shares of the Company within the meaning of Part XV of the SFO; (iii) he is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, nor is he being involved or has been involved in any activity that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules; and (iv) there is no other matter that shall be brought to the attention of the Shareholders or the Stock Exchange.

As of the Latest Practicable Date, save as disclosed above, Mr. Lin Chengfei has neither held any directorships of any listed companies nor any other positions of the Company and its subsidiaries in the past three years.

2. REGISTRATION AND ISSUE OF CORPORATE BONDS OF RMB2 BILLION

In order to guarantee the capital requirements of the Company's production operations and strategic development, form diverse financing sources, further lower the financial costs and optimise the debt structure, the Company proposes to register and issue the corporate bonds of RMB2 billion. Details are as follows:

1. Issue size: Not more than RMB2 billion (inclusive of RMB2 billion).
2. Method of issuance: The proposed issuance of the RMB2 billion corporate bonds shall be conducted to qualified investors through public offerings. Upon approval by the China Securities Regulatory Commission, the bonds may be issued in one or multiple tranches. The Board or persons as authorized by the Board shall be granted the authority at the EGM to determine the specific size of issuance, the method of issuance, the terms and the tranches of the RMB2 billion corporate bonds and other matters based on the Company's financial needs and the market conditions.
3. Bond face value: The face value of the RMB2 billion corporate bonds is RMB100.
4. Issue interest rate and payment method: The interest rate and payment method of the RMB2 billion corporate bonds shall be determined by the Board or its authorised persons with the authorisation by the Shareholders at the EGM, according to the laws and based on the market conditions.
5. Target investors: Qualified investors that meet the relevant requirements under the Measures for the Issuance and Trading of Corporate Bonds; and no preferential allotment of corporate bonds to be offered to Shareholders.
6. Lead underwriters: Domestic commercial banks in the PRC.
7. Use of proceeds: After deducting the issue fees, the proceeds from the issuance of the RMB2 billion corporate bonds are proposed to be used for the investment in fixed assets of the Company and its subsidiaries, the Supplement to working capital, the repayment of debts with interests and other purposes permitted by applicable laws and regulations.

LETTER FROM THE BOARD

8. Bond type and term: The term of the RMB2 billion corporate bonds shall not exceed 5 years (inclusive of 5 years). The term can be unified or mixed. The Board or persons as authorized by the Board shall be granted the authority at the EGM to determine the specific types and term structure of the RMB2 billion corporate bonds and other matters based on the Company's financial needs and the market conditions.
9. Method for repayment of principal and payment of interest: The interest of the RMB2 billion corporate bonds shall be paid annually and the principal of the RMB2 billion corporate bonds shall be paid by way of one-time payment when the term expires.
10. Guarantee method: The issuance of the RMB2 billion corporate bonds is free from guarantee.
11. Safeguard measures to ensure debt repayment: In order to further protect the interest of the bond holders, a variety of debt repayment protection measures will be formulated and implemented if the Company expects that it is unable to repay the principal or any accrued interest during the term of the RMB2 billion corporate bonds, so as to effectively safeguard the interest of the bond holders.
12. Underwriting method and listing arrangement: The RMB2 billion corporate bonds will be underwritten by the underwriter syndicate organized by the lead underwriter, and the syndicate will underwrite the bonds by way of standby commitment. After the completion of the bonds issuance, the Company will apply for the listing and trading of the RMB2 billion corporate bonds on the Shanghai Stock Exchange once the conditions for listing are fulfilled. Subject to the permission or approval of the regulatory authorities and to the extent permitted by the relevant laws and regulations, the Company may also apply for the listing and trading of the RMB2 billion corporate bonds on other stock exchanges.
13. Validity of this resolution: The resolution in relation to the issuance of the RMB2 billion corporate bonds shall remain valid for 24 months from the date of deliberation and approval on the issuance of the RMB2 billion corporate bonds by the EGM.

If the Board or its authorised persons have decided to issue or partially issue the bonds within the validity of the authorisation and the company has also obtained the approval, license, filing or registration of the issue from the regulatory authority (if applicable) within the validity of the authorisation, the company may complete the issue or partial issue of the bonds within the confirmed validity of such approval, license, filing or registration.

It is proposed that the Board be authorized at the EGM to exercise all powers to handle matters relating to the issue of the RMB2 billion corporate bonds. Proposals include but are not limited to the followings:

1. Formulating the specific issue plan of the RMB2 billion corporate bonds as well as modifying and adjusting the specific terms, conditions and other matters to the extent permitted by laws and regulations and based on the actual situation of the Company and the market;
2. Handling other matters in relation to the issue of the bonds, including but not limited to, dealing with relevant matters relating to the issue, filing, trading and listing of the RMB2 billion corporate bonds, and executing necessary agreements and legal documents;

LETTER FROM THE BOARD

3. Preparing, revising and submitting relevant filing materials in accordance with the relevant laws and regulations, and the opinions, proposals and actual circumstances of the regulatory authorities, and dealing with the information disclosure matters relating to the issue of the RMB2 billion corporate bonds according to the regulatory requirements;
4. In case of any changes to the applicable laws, regulations and other regulatory documents, the policies of regulatory authorities on the issue of the RMB2 billion corporate bonds or the market conditions, making corresponding adjustment to the relevant matters relating to the specific proposal of the issue of the RMB2 billion corporate bonds;
5. Engaging various intermediaries in relation to the issue of the RMB2 billion corporate bonds, including but not limited to lead underwriters, audit service provider, legal firm and rating agency, and dealing with other specific matters relating to the issue of the RMB2 billion corporate bonds;
6. In accordance with the advices of the regulatory authorities, when there occur changes in the regulatory policies or in the market, making corresponding adjustment to relevant matters relating to the issue of the RMB2 billion corporate bonds, or deciding whether to proceed with the issue of the RMB2 billion corporate bonds based on actual situation; and
7. Making proposal at the EGM to approve the delegation of the authority by the Board to Mr. Yin Bo (an executive director of the Company) and Mr. Yang Long (the deputy general manager of the Company) to deal with all such matters relating to the issuance of the above-mentioned RMB2 billion corporate bonds within the scope of the authorisation above.

The above authority will remain effective from the date of approval at the EGM to the date of completion of all the above authorized matters.

3. REGISTRATION AND ISSUE OF RENEWABLE CORPORATE BONDS OF RMB1 BILLION

In order to further expand the source of financing, guarantee the capital requirements of the Company's production operations and strategic development, form diverse financing sources, lower the financial costs and control the overall debt to asset ratio of the Company, the Company proposes to register and issue the renewable corporate bonds of RMB1 billion. Details are as follows:

1. Issue size: Not more than RMB1 billion (inclusive of RMB1 billion).
2. Method of issue: The issuance of the RMB1 billion renewable corporate bonds shall be conducted to qualified investors through public offerings. Upon approval by the China Securities Regulatory Commission, the bonds may be issued in one or multiple tranches. The Board or persons as authorized by the Board shall be granted the authority at the EGM to determine the specific size of issuance, the method of issue, the terms and the tranches of the RMB1 billion renewable corporate bonds and other matters based on the Company's financial needs and the market conditions.
3. Bond face value: The face value of the RMB1 billion renewable corporate bonds is RMB100.
4. Issue interest rate and payment method: The interest rate and payment method of the RMB1 billion renewable corporate bonds shall be determined by the Board or its authorised persons with the authorisation by the Shareholders at the EGM, according to the laws and based on the market conditions.

LETTER FROM THE BOARD

5. Target investors: Qualified investors that meet the relevant requirements under the Measures for the Issuance and Trading of Corporate Bonds; and no preferential allotment of corporate bonds to be offered to Shareholders.
6. Lead underwriters: Domestic commercial banks in the PRC.
7. Use of proceeds: After deducting the issue fees, the proceeds from the issuance of the RMB1 billion renewable corporate bonds are proposed to be used for the investment in fixed assets of the company and its subsidiaries, the supplement to working capital, the repayment of debts with interests and other purposes permitted by applicable laws and regulations.
8. Bond category and term: The RMB1 billion renewable corporate bonds are issued in two categories. Category 1 uses every three interest-bearing years as a cycle with the issuer's renewal option at the end of every three interest-bearing years; and Category 2 uses every five interest-bearing years as a cycle with the issuer's renewal option at the end of every five interest-bearing years.

The Company decides whether to exercise the issuer's renewal option according to the provisions of the issue clauses. If the renewal option is effected, the issued renewable corporate bonds will continue to exist; if the renewal option is not effected, the principal and interests of the bonds will be repaid in full when the bonds are due. The specific category, basic term, maturity and other matters of the bonds will be submitted to the EGM to authorize the Board of Directors or its authorized persons to determine according to the Company's capital needs and the market conditions. The aggregate issue scale of the Category 1 and Category 2 bonds is not more than RMB1 billion.

9. Deferred interests payment option: The issue of the RMB1 billion renewable corporate bonds shall confer a right to the Company to defer interests payment. Unless a compulsory interests payment event occurs, the Company may, on each interests payment date of the RMB1 billion renewable bonds, choose to defer the payment of interests for the current period and any deferred interest and the yield thereof to the next payment date, without subject to any restriction on the times of deferred interests payment. The aforesaid deferred interests payment is not deemed as an act of the issuer failing to pay such interests in full as agreed.
10. Compulsory interests payment event and the restriction on deferred interests payment:

Compulsory interests payment event of the RMB1 billion renewable corporate bonds: The Company shall not defer the interests for the current period or any deferred interest and the yield thereof under agreement when any of the following events occurs within 12 months before the interest payment date: (1) Pay dividends to ordinary shareholders; and (2) Reduce the registered capital.

Restriction relating to the deferred interests payment of the RMB1 billion renewable corporate bonds: If the Company chooses to exercise the deferred interests payment option, the Company shall not conduct the following acts before the deferred interests and the yield are paid up: (1) Pay dividends to ordinary shareholders; and (2) Reduce the registered capital.

11. Redemption option: The Board (or persons authorised by the Board) with the authorisation by the Shareholders at the EGM will determine whether the RMB1 billion renewable corporate bonds involve redemption clause or sell-back clause and the specific provisions of the relevant clauses.

LETTER FROM THE BOARD

12. Method for repayment of principal and payment of interest: In the event that the issuer does not exercise the option to defer the payment of interest, the interest will be paid once a year.
13. Guarantee method: The issuance of RMB1 billion renewable corporate bonds is free from guarantee.
14. Safeguard measures to ensure debt repayment: In order to further protect the interest of the bond holders, a variety of debt repayment protection measures will be formulated and implemented if the Company expects not to be able to repay the principal or any accrued interest during the term of the RMB1 billion renewable corporate bonds, so as to effectively safeguard the interest of the bond holders.
15. Underwriting method and listing arrangement: The RMB1 billion renewable corporate bonds will be underwritten by the underwriter syndicate organised by the lead underwriter, and the syndicate will underwrite the bonds by way of standby commitment. After the completion of the bonds issuance, the Company will apply for the listing and trading of the RMB1 billion renewable corporate bonds on the Shanghai Stock Exchange once the conditions for listing are fulfilled. Subject to the permission or approval of the regulatory authorities and to the extent permitted by the relevant laws and regulations, the Company may also apply for the listing and trading of the RMB1 billion renewable corporate bonds on other stock exchanges.
16. Validity of this resolution: The resolution in relation to the issuance of the RMB1 billion renewable corporate bonds shall remain valid for 24 months from the date of deliberation and approval on the issuance of the RMB1 billion renewable corporate bonds by the EGM.

It is proposed that the Board be authorized at the EGM to exercise all powers to handle matters relating to the issue of the RMB1 billion renewable corporate bonds. Proposals include but are not limited to the followings:

1. Formulating the specific issue plan of the RMB1 billion renewable corporate bonds as well as modifying and adjusting the specific terms, conditions and other matters to the extent permitted by laws and regulations and based on the actual situation of the Company and the market;
2. Handling other matters in relation to the issue of RMB1 billion renewable bonds, including but not limited to, dealing with relevant matters relating to the issue, filing, trading and listing of the RMB1 billion renewable corporate bonds, and executing necessary agreements and legal documents;
3. Preparing, revising and submitting relevant filing materials in accordance with the relevant laws and regulations, and the opinions, proposals and actual circumstances of the regulatory authorities, and dealing with the information disclosure matters relating to the issue of the RMB1 billion renewable corporate bonds according to the regulatory requirements;
4. In case of any changes to the applicable laws, regulations and other regulatory documents, the policies of regulatory authorities on the issue of renewable corporate bonds or the market conditions, making corresponding adjustment to the relevant matters relating to the specific plan of the issue of the RMB1 billion renewable corporate bonds;

LETTER FROM THE BOARD

5. Engaging various intermediaries in relation to the issue of the RMB1 billion renewable corporate bonds, including but not limited to lead underwriters, audit service provider, legal firm and rating agency, and dealing with other specific matters relating to the issue of the RMB1 billion renewable corporate bonds;
6. In accordance with the advices of the regulatory authorities, when there occur changes in the regulatory policies or in the market, making corresponding adjustment to relevant matters relating to the issue of the RMB1 billion renewable corporate bonds, or deciding whether to proceed with the issue of the renewable corporate bonds based on actual situation; and
7. Making proposal at the EGM to approve the delegation of the authority by the Board to Mr. Yin Bo (an executive director) and Mr. Yang Long (the deputy general manager of the Company) to deal with all such matters relating to the issuance of the above-mentioned RMB1 billion renewable corporate bonds within the scope of the authorisation above.

The above authority will remain effective from the date of approval at the EGM to the date of completion of all the above authorized matters.

EGM

The Company will convene the EGM at 11:00 a.m. on Wednesday, 12 December 2018 at the Conference Room, 21st Floor of TBEA Co., Ltd. at No. 189, South Beijing Road, Changji, Xinjiang, the PRC. Notice of EGM is set out in this circular.

In order to determine the Shareholders who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 12 November 2018 to Wednesday, 12 December 2018, both days inclusive, during which no transfer of Shares will be effected. Shareholders whose names appear on the register of members of the Company on Monday, 12 November 2018 shall be entitled to attend and vote at the EGM. In order for the holders of Shares to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Board secretary office at No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC (in case of holders of Domestic Shares), or 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, Wan Chai, Hong Kong (in case of holders of H Shares), no later than 4:30 p.m. on Friday, 9 November 2018 for registration.

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the accompanying form of proxy in accordance with the instructions printed thereon. For holders of H Shares, the form of proxy should be returned to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and for holders of Domestic Shares, the form of proxy should be returned to the Company's Board secretary office at No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC, in person or by post not less than 24 hours before the time fixed for holding the EGM (i.e. no later than 11:00 a.m. on Tuesday, 11 December 2018) or any adjournment thereof.

Shareholders who intend to attend the EGM (or any adjournment thereof) in person or by proxy should complete and return the reply slip for attending the EGM (or any adjournment thereof) in person or by post. The reply slip should be completed and returned to the Company's Board secretary office by post to (or by depositing it at) No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC (for holders of Domestic Shares); or to the Company's H share registrar, Computershare Hong Kong Investor

LETTER FROM THE BOARD

Services Limited, by facsimile (fax number: +852-2865 0990) or by post to (or by depositing it at) 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares), such that the reply slip shall be received by the Company 20 days before the EGM (i.e. on or before Thursday, 22 November 2018).

Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies (whether he/she is a Shareholder) to attend and vote at the EGM (or any adjournment thereof) on his/her behalf. A proxy needs not be a shareholder of the Company.

Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Shareholder or by a person duly authorized by the relevant Shareholder in writing ("**Power of Attorney**"). If the Form of Proxy is signed by the person authorized by the relevant Shareholder as aforesaid, the relevant Power of Attorney and other relevant documents of authorization (if any) must be notarized. If a corporate shareholder of the Company appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate shareholder of the Company or duly signed by its director or any other person duly authorized by that corporate shareholder of the Company as required by the Articles of Association of the Company.

VOTING BY POLL AT EGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders of a listed issuer at the issuer's general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the EGM will therefore demand a poll for every resolution put to the vote at the EGM pursuant to the Articles of the Association. On a poll, every Shareholder present in person or by proxy to attend the EGM (or being a corporation by its duly authorized representative) shall have one vote for each Share registered in his/her/its name in the register of members. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same manner.

RECOMMENDATION

The Board considers that the resolutions set out in the Notice of EGM for Shareholders' consideration and approval are in the best interests of the Company and its Shareholders. As such, the Board recommends the Shareholders to vote in favour of the said resolutions set out in the Notice of EGM which are to be proposed at the EGM.

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

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 SECOND EXTRAORDINARY GENERAL MEETING IN 2018

NOTICE IS HEREBY GIVEN that the second extraordinary general meeting (“EGM”) of 2018 of Xinte Energy Co., Ltd. (the “**Company**”) will be held at the Conference Room, 21st Floor of TBEA Co., Ltd. at No. 189, South Beijing Road, Changji, Xinjiang, the People's Republic of China (the “**PRC**”) at 11:00 a.m. on Wednesday, 12 December 2018 to consider and approve the following matters:

ORDINARY RESOLUTION

To consider and approve the following matter as an ordinary resolution:

1. To consider and approve the appointment of Mr. Lin Chengfei as a non-executive director of the Company.

SPECIAL RESOLUTIONS

To consider and approve the following matters as special resolutions:

2. To consider and approve the resolution to register and issue of the Company's corporate bonds with an aggregate principal of not more than RMB2 billion (inclusive of RMB2 billion) in the PRC; authorising the Board of Directors of the Company (the “**Board**”) to the extent permitted by the relevant laws and regulations to handle all matters related to the issuance of the foregoing RMB2 billion corporate bonds at their full discretion; and to approve the delegation of the authority by the Board to Mr. Yin Bo (an executive director of the Company) and Mr. Yang Long (the deputy general manager of the Company) to deal with all such matters relating to the issuance of the above-mentioned RMB2 billion corporate bonds within the scope of the authorisation above.
3. To consider and approve the resolution to register and issue of the Company's renewable corporate bonds with an aggregate principal of not more than RMB1 billion (inclusive of RMB1 billion) in the PRC; authorising the Board to the extent permitted by the relevant laws and regulations to handle all matters related to the issuance of the foregoing RMB1 billion renewable corporate bonds at their full discretion; and to approve the delegation of the authority by the Board to Mr. Yin Bo (an executive director of the Company) and Mr. Yang Long (the deputy general manager of the Company) to deal with all such matters relating to the issuance of the above-mentioned RMB1 billion renewable corporate bonds within the scope of the authorisation above.

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

Xinjiang, the PRC, 26 October 2018

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. **Important:** A circular setting out further details of the resolutions, the form of proxy and the reply slip of the EGM will be dispatched and published by the Company in due course.
2. In order to determine the Company's shareholders (the "**Shareholder(s)**") who are eligible to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 12 November 2018 to Wednesday, 12 December 2018, both days inclusive, during which no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on Monday, 12 November 2018 shall be entitled to attend and vote at the EGM. In order for the Shareholders to qualify to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Board secretary office (in case of holders of domestic shares), at No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC, or the Company's H share registrar (in case of holders of H shares), Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 9 November 2018 for registration.
3. Shareholders who intend to attend the EGM (or any adjournment thereof) should complete and return the reply slip for attending the EGM (or any adjournment thereof) by person or by post. The reply slip should be completed and returned to the Company's Board secretary office by post to (or by depositing it at) No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC, for holders of domestic shares; or to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, by facsimile (fax number: +852-28650990) or by post to (or by depositing it at) 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H shares, such that the reply slip shall be received by the Company 20 days before the EGM (i.e. on or before Thursday, 22 November 2018).
4. Shareholders may, by completing the form of proxy of the Company, appoint one or more proxies (whether he/she is a Shareholder) to attend and vote at the EGM (or any adjournment thereof) on his/her behalf. The proxy needs not be a Shareholder of the Company.
5. Shareholders must use the form of proxy of the Company for appointing a proxy and the appointment must be in writing. The form of proxy must be signed by the relevant Shareholder of the Company or by a person duly authorized by the relevant Shareholder of the Company in writing ("**power of attorney**"). If the form of proxy is signed by the person authorized by the relevant Shareholder of the Company as aforesaid, the relevant power of attorney and other relevant documents of authorization (if any) must be notarized. If a corporate Shareholder of the Company appoints a person other than its legal representative to attend the EGM (or any adjournment thereof) on its behalf, the relevant form of proxy must be affixed with the company seal of the corporate Shareholder of the Company or signed by its director or any other person duly authorized by that corporate Shareholder of the Company as required by the articles of association of the Company.
6. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant authority (if any) as mentioned in note 5 above must be delivered to the Company's Board secretary office at No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC, for holders of domestic shares, or 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 no later than 24 hours before the time appointed for the EGM (i.e. no later than 11:00 a.m. on Tuesday, 11 December 2018) (or any adjournment thereof).
7. A shareholder of the Company or his/her proxy should produce proof of identity when attending the EGM (or any adjournment thereof). If a corporate shareholder's legal representative or any other person duly authorized by such corporate shareholder attends the EGM (or any adjournment thereof), such legal representative or other person shall produce his/her proof of identity, and proof of designation as legal representative or the valid authorization document (as the case may be).

NOTICE OF EXTRAORDINARY GENERAL MEETING

8. The EGM (or any adjournment thereof) is expected to take less than half a day. Shareholders or their proxies who attend the EGM (or any adjournment thereof) shall be responsible for their own travel and accommodation expenses.

9. The contact information of the Board secretary office of the Company is as follows:

Address: No. 399, South Changchun Road, New Downtown, Urumqi, Xinjiang, the PRC

Contact person: Ms. Zhang Juan

Tel: +86-991-3665888

As of the date of this announcement, the Board of the Company consists of Mr. Zhang Jianxin, Mr. Yin Bo and Mr. Xia Jinjing as executive directors; 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.