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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)

ENTERING INTO THE STRATEGIC COOPERATION FRAMEWORK AGREEMENT WITH CHINA DEVELOPMENT BANK NEW ENERGY SCIENCE AND TECHNOLOGY Co., LTD

This announcement is made by Xinte Energy Co., Ltd.(the “**Company**”) on a voluntary basis for the purpose of informing our shareholders and potential investors the latest business development information of the Group.

I. General Information of the Strategic Cooperation

The board of directors of the Company is pleased to announce that, on 31 December 2015, the Company's subsidiary TBEA Xinjiang New Energy Co., Ltd. (“**New Energy**”), in which the Company holds 98.58% equity interests, entered into a Strategic Cooperation Framework Agreement (“**Framework Agreement**”) with China Development Bank New Energy Science and Technology Co., Ltd (國開新能源科技有限公司, “**CDB New Energy**”), pursuant to which, both parties will establish a long-term and comprehensive strategic cooperation relationship in areas of development and construction of PV Station.

1. General Information of the Counterparties

Company Name:	China Development Bank New Energy Science and Technology Co., Ltd
Nature of Business:	limited liability company
Legal Representative:	Fan Haibin
Registered Capital:	RMB985 million
Business Scope:	development and application of energy-saving technologies, wholesale of photovoltaic equipment and accessories.

CDB New Energy is a new energy company invested by China Development Bank Capital Corporation Ltd (國開金融有限責任公司), a wholly-owned subsidiary of China Development Bank, together with Zhuhai Puluo Sino-Europe New Energy Equity Investment Partnership (珠海普羅中歐新能源股權投資合夥企業), Sino-Japan Energy-Saving and Environmental Protection Venture Investment Co., Ltd.(中日節能環保創業投資有限公司), Tianjin Guangda Jinkong New Energy Investment Centre (天津光大金控新

能源投資中心), Beijing Sequoia Shangye Investment Management Company (北京紅杉尚業投資管理中心), Hangzhou Changdi Equity Investment Partnership (杭州長堤股權投資合夥企業) and other investment organizations. CDB New Energy is principally engaged in the development, investment, construction as well as operation and maintenance of new energy projects.

CDB New Energy is independent from our New Energy.

2. Time, Venue and Manners in Which the Agreement was Entered into

On 31 December 2015, New Energy entered into the Strategic Cooperation Framework Agreement with CDB New Energy in Beijing, pursuant to which, both parties will establish a long-term and comprehensive strategic cooperation relationship in areas of development and construction of PV Station.

II. Main Content of the Framework Agreement

1. Principles of Cooperation

Aimed at common development and long-term cooperation, New Energy and CDB New Energy consider each other as an important partner in business scopes within the permission of the laws, regulations, policies of the country and the relevant requirements of photovoltaic industry, and established long-term and close strategic cooperation relationship to realize a win-win cooperation by utilizing the resources and industrial advantages of themselves.

2. Cooperation on the Target Project

New Energy and CDB New Energy agreed to cooperate on the development and investment or construction of 12 PV projects (290MW), including Urho of Karamay (20MW), Mori Kazak Autonomous County II (20MW) and Qapqal I (20MW) in Yili prefecture in 2016.

CDB New Energy shall conduct due diligence and audit works on the target projects and the project companies, and shall enter into separate investment cooperation agreements or other related agreements with detailed terms in respect of the final trading structure and arrangement of the acquisition after its internal review and obtaining the investment decision approval.

3. Future Cooperation in Projects

(1) New Energy and CDB New Energy agreed to conduct extensive cooperation in respect of the investment and development of the PV Station projects.

During the period from 2016 to 2018, cooperation will be focusing on the PV Station projects in areas such as Xinjiang, Ningxia, Shandong, Shanxi and Hebei. New Energy shall be responsible for the development procedures and EPC construction of projects and CDB New Energy shall have the priority to cooperate with New Energy in respect

of the projects in the above-mentioned areas. CDB New Energy shall conduct specific due diligence and review based on the situations of the projects. Both parties shall enter into separate investment agreement in respect of the projects approved by CDB New Energy through investment decision, and the cooperation mode shall be referred to the mode the parties have been cooperated with. In the regions where New Energy enjoys advantages, both parties will discuss to jointly develop the PV Station projects.

- (2) New Energy will conduct extensive cooperation with CDB New Energy in respect of PV Station projects under the EPC contracting model. In relation to the projects under the direct development and investment of CDB New Energy, subject to the laws, regulations and other relevant requirements of the country and based on the performance of the bidding procedures, CDB New Energy will give priority to select New Energy as the general contractor for developing the projects under the same conditions. Both parties shall enter into separate PV Station EPC project contracting contract in respect of the specific project construction.
4. Within 4 months after entering into the Framework Agreement, CDB New Energy shall have the absolute exclusive right to the acquisition of the 12 projects and the project companies. New Energy shall fully cooperate with CDB New Energy to complete the internal investment decision-making procedures, and the parties shall complete the execution of specific investment agreement or relevant agreements. New Energy may cooperate with third parties in respect of the target projects for which no investment cooperation agreement has been signed.
5. The Framework Agreement will be effective from the date of affixing the common seal or contract seal by both parties, with a valid term of 3 years. A framework agreement shall be separately signed by both parties prior to the 30 days upon the expiry of the Framework Agreement if the parties wish to continue the cooperation.
6. The parties should first resolve any dispute related to the Framework Agreement through friendly negotiation. If failed, the parties shall submit the dispute to the people's court where the plaintiff resides.
7. Framework Agreement is the basis for future cooperation of both parties, whose specific rights and obligations are subject to the final specific agreement.

III. Effect on our Company

The execution of the Strategic Cooperation Framework Agreement will help to expand the Company's development capability of resources, such as photovoltaic and wind power, to promote the Company's competitiveness and market share in new energy area, such as photovoltaic and wind power, and to further improve the profitability and ensure sustainable growth of the Company in the long term.

IV. Risk Warning

The Framework Agreement records the parties' cooperation intention and basic principles and is of the nature of uncertainty. The transfer of project company still requires the execution of specific agreements. Investors are advised to pay attention to investment risks.

The announcement is hereby given.

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

Beijing, the PRC

4 January 2016

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