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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 adviser.

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 or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**REPORT OF BOARD OF DIRECTORS FOR THE YEAR 2016
REPORT OF SUPERVISORY BOARD FOR THE YEAR 2016
FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2016
ANNUAL REPORT FOR THE YEAR 2016
PROFIT DISTRIBUTION PLAN AND DECLARATION OF
A FINAL DIVIDEND FOR THE YEAR 2016
DIRECTORS' AND SUPERVISORS' REMUNERATION PLAN FOR THE YEAR 2017
RE-APPOINTMENT OF INTERNATIONAL AUDITOR FOR THE YEAR 2017 AND
GRANT OF AUTHORITY TO THE BOARD TO
DETERMINE ITS REMUNERATION
PROPOSED APPOINTMENT OF DIRECTOR
GENERAL MANDATE TO ISSUE SHARES
REGISTRATION AND ISSUE OF SUPER SHORT TERM
FINANCING DEBENTURES OF RMB2 BILLION
REGISTRATION AND ISSUE OF PERPETUAL MEDIUM-TERM NOTES
OF RMB2 BILLION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice covering the annual general meeting (the "AGM") of the Company to be held at the Conference Room of the Conference Center of TBEA Co., Ltd. at No.189, South Beijing Road, Changji, Xinjiang, the PRC on Friday, 16 June 2017 at 11:00 a.m. is set out in this circular.

If you intend to appoint a proxy to attend the AGM, 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 AGM (i.e. no later than 11:00 a.m. on Thursday, 15 June 2017) 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 AGM or at any other adjourned meeting should you so wish.

If you intend to attend the AGM in person or by proxy, you are required to complete and return the accompanying reply slip to (for holders of H Shares) Computershare Hong Kong Investor Services Limited or to (for holders of Domestic Shares) the Company's Board secretary office on or before Friday, 26 May 2017.

26 April 2017

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DEFINITIONS

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

“AGM”	the annual general meeting for the year 2016 to be held by the Company at the Conference Room of the Conference Center of TBEA Co., Ltd. at No. 189, South Beijing Road, Changji, Xinjiang, the PRC on Friday, 16 June 2017 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 People’s Republic of China
“Hong Kong dollars”	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”	20 April 2017, 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

DEFINITIONS

“Notice of AGM”	the notice convening the AGM
“PRC” or “China”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative 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
“Shares”	shares in the share capital of the Company, with a nominal value of RMB1.00 each, including Domestic Shares and H Shares
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Board”	the board of supervisors 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. Ma Xuping
Mr. Yin Bo

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, 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, PRC

Principal place of business in Hong Kong:

18/F, Tesbury Centre
28 Queen's Road East
Wanchai, Hong Kong

26 April 2017

To the Shareholders

Dear Sir or Madam,

**REPORT OF BOARD OF DIRECTORS FOR THE YEAR 2016
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NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to give you the Notice of AGM 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 meeting for the following issues, to be approved by way of certain ordinary or special resolutions:

Ordinary Resolutions

1. Report of Board of Directors for the year 2016;
2. Report of Supervisory Board for the year 2016;
3. Final financial accounts for the year 2016;
4. Annual report for the year 2016;
5. Profit distribution plan and declaration of a final dividend for the year 2016;
6. Directors' and Supervisors' remuneration plan for the year 2017;
7. Re-appointment of international auditor for the year 2017 and grant of authority to the Board to determine its remuneration; and
8. Proposed appointment of director.

Special Resolutions

9. General mandate to issue shares;
10. Registration and issue of super short term financing debentures of RMB2 billion; and
11. Registration and issue of perpetual medium-term notes of RMB2 billion.

1. REPORT OF BOARD OF DIRECTORS FOR THE YEAR 2016

An ordinary resolution will be proposed at the AGM to approve the report of Board of Directors for the year 2016, the full text of which is set out in the Company's annual report for the year 2016 dispatched.

2. REPORT OF SUPERVISORY BOARD FOR THE YEAR 2016

An ordinary resolution will be proposed at the AGM to approve the report of Supervisory Board for the year 2016, the full text of which is set out in the Company's annual report for the year 2016 dispatched.

LETTER FROM THE BOARD

3. FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2016

An ordinary resolution will be proposed at the AGM to approve the final financial accounts for the year 2016. A summary of the report relating to the Company's 2016 final financial accounts prepared under the International Financial Reporting Standards is as follows:

1. Income and Profit

In 2016, pursuant to the consolidated financial statements, the Company's operating revenue was RMB12,001 million and other income was RMB96 million. Cost of operation amounted to RMB10,005 million, while net finance expenses amounted to RMB223 million. Profit before tax was RMB948 million, of which the net profit attributable to owners of the Company was RMB801 million.

2. Cash flow

In 2016, pursuant to the consolidated financial statements, the Company's net cash flow used in operating activities was RMB225 million, net cash flow used in investing activities was RMB2,351 million and net cash flow generated from financing activities was RMB1,607 million. Cash and cash equivalents net decreased by RMB969 million.

3. Assets and liabilities

As at 31 December 2016, pursuant to the consolidated financial statements, the Company's total assets amounted to RMB27,813 million, of which current assets amounted to RMB13,909 million, non-current assets amounted to RMB13,903 million. Total liabilities amounted to RMB19,501 million. Equity attributable to owners of the Company amounted to RMB8,260 million.

4. ANNUAL REPORT FOR THE YEAR 2016

The Company's annual report for the year 2016 will be presented at the AGM to be approved by way of ordinary resolution. The Company's annual report for the year 2016 has been dispatched to Shareholders and published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.xtnysolar.com).

5. PROFIT DISTRIBUTION PLAN AND DECLARATION OF A FINAL DIVIDEND FOR THE YEAR 2016

According to the Articles, an ordinary resolution will be proposed at the AGM to approve the Company's profit distribution plan. The Board proposed the distribution of a final dividend of RMB0.12 per Share (tax inclusive) in cash in an aggregate amount of approximately RMB125 million for the year ended 31 December 2016. Final dividend will be paid to holders of Domestic Shares in Renminbi, to holders of H Shares in Hong Kong dollars. The actual amount of H Share dividend attributable to holders of H Shares to be distributed and paid in Hong Kong dollars is calculated according to the average of closing mid-point conversion rate between Renminbi and Hong Kong dollars as published by the People's Bank of China for the five business days preceding the date of the declaration of dividends at the AGM. If the proposed profit distribution plan is approved at the AGM, the final dividend will be paid to Shareholders whose names are registered in the Company's register of members on Wednesday, 28 June 2017. The Company expected to pay the dividend no later than Monday, 14 August 2017.

LETTER FROM THE BOARD

In order to determine the Shareholders who are entitled to receive the above-mentioned final dividend, the register of members of the Company will be closed from Friday, 23 June 2017 to Wednesday, 28 June 2017, both days inclusive. To be eligible to receive the final dividend for the year ended 31 December 2016 (subject to the approval of the Company's Shareholders at the AGM), holders of H Shares of the Company shall lodge all share transfer documents accompanied by the relevant H share certificates 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 Thursday, 22 June 2017.

The Company hereby recommends Shareholders to authorize the Board to implement the above profit distribution plan, and recommends the Board to further grant its authority to the Company's management for implementing all relevant matters relating to the above profit distribution plan, having obtained the above authority.

Withholding and Payment of Enterprise Income Tax on Behalf of Overseas Non-Resident Enterprises

Pursuant to the applicable provisions of the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and its implementing rules, the Company will withhold and pay enterprise income tax at the rate of 10% when it distributes final dividend to non-resident enterprise holders of H Shares (including any H Shares registered in the name of HKSCC Nominees Limited).

Withholding and Payment of Individual Income Tax on Behalf of Overseas Individual Shareholders

Pursuant to the applicable provisions of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and its implementing rules and the Tax Notice, the Company will implement the following arrangements in relation to the withholding and payment of individual income tax on behalf of individual H Shares Shareholders:

- For individual H Shares Shareholders who are residents of Hong Kong or the Macau or whose country of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shares Shareholders in the distribution of the Final Dividend;
- For individual H Shares Shareholders whose country of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of these individual H Shares Shareholders in the distribution of the final dividend. If relevant individual H Shares Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, the Company will handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the Tax Notice. Qualified Shareholders please submit in time a letter of entrustment and all application materials as required under the Tax Notice to the Company's H share registrar, Computershare Hong Kong Investor Services Limited. The Company will then submit the above documents to competent tax authorities and, after their examination and if and when approved, the Company will assist in refunding the excess amount of tax withheld and paid;
- For individual H Shares Shareholders whose country of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty on behalf of these individual H Shares Shareholders in the distribution of the final dividend; and

LETTER FROM THE BOARD

- For individual H Shares Shareholders whose country of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has 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 individual H Shares Shareholders in the distribution of the final dividend.

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 Wednesday, 28 June 2017 (the “**Registered Address**”). If the resident status of any individual H Shares Shareholder is not in consistency with that indicated by the Registered Address, such individual H Shares Shareholder shall notify the Company’s H share registrar not later than 4:30 p.m. on Thursday, 22 June 2017, 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 Shares 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.

6. DIRECTORS’ AND SUPERVISORS’ REMUNERATION PLAN FOR THE YEAR 2017

An ordinary resolution will be proposed at the AGM to approve the remuneration plan for Directors and Supervisors for the year ended 31 December 2016, which is formulated according to the Company’s internal policies as follows:

1. Independent Non-executive Directors will receive their remuneration from the Company. For the year 2017, the Company will pay each Independent Non-executive Director RMB120,000 (before tax, paid on a quarterly basis, the Company being responsible for withholding and paying personal income tax). Travel expenses incurred by Independent Non-executive Directors in attending Board meetings, general meetings of the Company and relevant activities organized by the Board will be borne by the Company;
2. Non-executive Directors without holding offices in the management of the Company will not receive any remuneration from the Company;
3. Executive Directors holding offices in the management of the Company will receive their remuneration from the Company. The remuneration of an Executive Director will be determined based on the management position held by such Executive Director, in accordance with rules relating to the management of remuneration of the Company;
4. Supervisors without holding offices in the management of the Company will not receive any remuneration from the Company; and
5. The employee representative Supervisors of the Company will receive their remuneration from the Company. The remuneration of an employee representative Supervisor of the Company will be determined with reference to the standard of management position held by such employee representative Supervisor of the Company, in accordance with rules relating to the management of remuneration of the Company.

LETTER FROM THE BOARD

7. RE-APPOINTMENT OF INTERNATIONAL AUDITOR FOR THE YEAR 2017 AND GRANT OF AUTHORITY TO THE BOARD TO DETERMINE ITS REMUNERATION

An ordinary resolution will be proposed at the AGM to approve the re-appointment of PricewaterhouseCoopers as the Company's international auditor for the year 2017 and the grant of authority to the Board to determine its remuneration.

8. PROPOSED APPOINTMENT OF DIRECTOR

An ordinary resolution will be proposed at the AGM to approve the appointment of Mr. Tao Tao as a Non-executive Director of the Company with effect from the date of approval of such change of Director by Shareholders at the AGM until the expiration of the term of the current session of the Board. Meanwhile, Mr. Tao Tao 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.

Meanwhile, upon the proposed appointment of the candidate for the new Non-executive Director being approved, the Board agrees to authorise the Remuneration and Appraisal Committee of the Board to determine the remuneration of the new Non-executive Director in accordance with the remuneration plan for the Directors and Supervisors in 2017 approved by the AGM, and to authorise the chairman of the Board or any one of the Executive Directors to enter into a service contract with the new Non-executive Director and handle all other relevant matters on behalf of the Company upon proposed appointment of the candidate for the new Non-executive Director being approved at the AGM.

INFORMATION ON DIRECTOR NOMINATED

Mr. Tao Tao

Mr. Tao Tao, aged 34, worked as a researcher of First Futures Co., Ltd. (一德期貨有限公司) from December 2009 to April 2011. He worked as a researcher of PICC Asset Management Company Limited (中國人保資產管理股份有限公司) from May 2011 to July 2014. From August 2014 to August 2015, he served as director of design division No. 1 (new energy division) of China Minsheng Investment Corporation (中國民生投資有限公司). After that, he has been working as deputy general manager of equity investment division of Minsheng CMH Investment Company Limited (中民華恆投資有限公司) since September 2015.

Mr. Tao graduated from Peking University majoring in German with a Bachelor's degree in Arts in July 2006. He graduated from University of Konstanz in Germany majoring in international finance with a Master's degree in economics in July 2009.

Save as disclosed above, Mr. Tao Tao has neither held any directorships of any listed companies nor any other positions of the Company and its subsidiaries in the past three years.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Tao Tao 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. As at the Latest Practicable Date, Mr. Tao Tao has no interest in the Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, as far as the Board is aware, there are no any other matters in relation to the appointment of Mr. Tao Tao as a Non-executive Director of the Company that need to be brought to the attention of the Shareholders of the Company nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

9. GENERAL MANDATE TO ISSUE SHARES

To ensure discretion of the Board to issue new Shares, the Company proposed to grant the new general mandate to the Board by way of a special resolution to be passed by the Shareholders at the AGM to allot, issue or deal with additional Domestic Shares and H Shares not exceeding 20% of the total number of the Domestic Shares and/or H Shares of the Company respectively in issue on the date of passing such resolution and to make or grant such offer, agreement and option in connection with thereof. As at the Latest Practicable Date, the issued share capital of the Company comprised 731,529,532 Domestic Shares and 313,475,630 H Shares. Subject to the passing of the resolution related to the granting of the general mandate and assuming that no further new Shares will be issued before the AGM, the Company will be allowed to issue a maximum of 146,305,906 Domestic Shares and 62,695,126 H Shares in accordance with the general mandate. The general mandate shall be effective from the time when the resolution is passed until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the 12 months after the date of passing the resolution as a special resolution at the AGM; or (iii) the date of revocation or variation of the authority under the resolution by Shareholders by a special resolution at a general meeting. Any exercise of the power by the Board under the general mandate shall comply with relevant requirements of the Listing Rules, the Articles and relevant laws and regulations of the PRC.

10. REGISTRATION AND ISSUE OF SUPER SHORT TERM FINANCING DEBENTURES OF RMB2 BILLION

In order to guarantee the capital requirement of production and operation and strategy development, form a diverse financing sources, further reduce financial costs of the Company, optimize the structure of liabilities, the Company intended to register and issue the super short term financing debentures for an amount of RMB2 billion.

Pursuant to requirements, the registration of the super short term financing debentures has two years of validity, and the Company intended to issue by way of one registration and split issue. Details of proposed issue of super short term financing debentures are as follows:

1. Issue size: not exceeding an amount of RMB2 billion.
2. Interest rate: the interest rate will be determined with reference to the market conditions.
3. Target subscribers: institutional investors in the inter-bank bond market of the PRC.
4. Lead underwriters: domestic commercial banks in the PRC.
5. Use of proceeds: primarily used for optimization of debt structure, lowering financing costs and replenishment of working capital of the Company.

LETTER FROM THE BOARD

6. Effective period of the resolution: after being considered and approved by the Shareholders of the Company at the AGM, the issue of the super short term financing debentures will continue to be effective during the validity of the registration of such super short term financing debentures.

It is also proposed at the AGM to authorise the Board to exercise all powers to handle matters relating to the issue of the super short term financing debentures including but not limited to:

1. after being approved by the competent authorities, according to the Company's needs and the market condition, register and issue by tranches super short-term financing debentures with an aggregate amount of no more than RMB2 billion in the PRC, and during its validity, issue by way of one or more registrations, with each tranche registering part of or the whole of the same in the PRC and make disclosure of information as required;
2. authorize the Board to handle and decide relevant matters relating to the issuance of such debentures, including but not limited to determine the lead underwriters, specific timing of each tranche, issue amount, number of tranches, interest rates, and authorize the chairman of the Company to sign the necessary documents and complete necessary formalities, etc.; and
3. authorize the Board to make adjustment to the relevant matters relating to the specific proposals of this issue according to the advices from regulatory authorities when there occur changes in the regulatory policies or market conditions, except those matters required to be re-voted by the Shareholders of the Company at the AGM under relevant laws, regulations and Articles of Associations.

11. REGISTRATION AND ISSUE OF PERPETUAL MEDIUM-TERM NOTES OF RMB2 BILLION

In order to guarantee the capital requirement of production and operation and strategy development, form a diverse financing sources, optimize the structure of liabilities, reasonably allocate mid-long term debt capital and satisfy the needs of the Company for sustainable development, the Company intended to register and issue the perpetual medium-term notes for an amount of RMB2 billion and will release the issuance plan for perpetual medium-term notes pursuant to the Company's needs in due course.

Pursuant to requirements, the registration of perpetual medium-term notes has two years of validity, and the Company intended to issue by way of one registration and split issue. Details of proposed issue of perpetual medium-term notes are as follows:

1. Issue size: not exceed an amount of RMB2 billion.
2. Interest rate: slightly higher than the interest rate of medium-term notes with the same duration and the same rating, will be determined with reference to the market conditions.
3. Target subscribers: institutional investors in the inter-bank bond market of the PRC.
4. Lead underwriters: domestic commercial banks in the PRC.
5. Duration of issuance: the issuer has the right of redemption after 5 years upon the issuance of the perpetual medium-term notes, and the perpetual medium-term notes will continue to be effective if there is no exercise of such right of redemption.

LETTER FROM THE BOARD

6. Use of proceeds: mainly used for the optimization of debt structure, lowering financing costs and replenishment of working capital of the Company.
7. Effective period of the resolution: after being considered and approved by the Shareholders of the Company at the AGM, the issuance of the perpetual medium-term notes will continue to be effective during the validity of the registration.

In order to ensure the registration and issuance of the perpetual medium-term notes, it is proposed to authorize the Board, at the AGM, to exercise all powers to deal with the matters relating to the perpetual medium-term notes, and to authorize the Board and its authorized person to handle, in their absolute discretion, the following matters to the extent permitted by the relevant regulations:

1. to determine the specific terms, conditions and other matters (including but not limited to the formulation of the terms of the perpetual medium-term notes, such as size of registration, size of issuance, duration, terms of redemption, coupon rate increment terms, interest deferral terms, restriction terms under the deferred interest and relief terms of holders, issuing price, interest rate and its methods of determination, timing of issuance, whether by tranches or not and the number of tranches, termination of issuance, arrangement of rating, matters of warranty, deadline of repaying principal and interests, and determining the detailed arrangement of fundraise within the scope of usages as approved at the AGM and all matters relating to the issuance of perpetual medium-term notes);
2. to determine the appointment of underwriter and other intermediate institutions that provide services for the issuance of perpetual medium-term notes;
3. within the scope of the above authorizations, to be responsible for the amendment, execution and reporting of all agreements and legal documents in connection with the issuance of perpetual medium-term notes and to handle the formalities in respect of relevant reporting, registration and disclosure of information;
4. to make corresponding adjustment to the relevant matters relating to the specific proposals of the issuance of perpetual medium-term notes according to the advices from regulatory authorities when there occur changes in the regulatory policies or market conditions;
5. to deal with other matters relating to the issuance of perpetual medium-term notes; and
6. the above authorizations will remain effective during the validity of the registration of the perpetual medium-term notes.

AGM

The Company will convene the AGM at 11:00 a.m. on Friday, 16 June 2017 at the Conference Room of the Conference Center of TBEA Co., Ltd. at No.189, South Beijing Road, Changji, Xinjiang, the PRC. Notice of AGM is set out in this circular.

In order to determine the Shareholders who are eligible to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 17 May 2017 to Friday, 16 June 2017, both days inclusive, during which no transfer of Shares will be effected. Shareholders whose names appear on the registers of members of the Company on Friday, 16 June 2017 shall be entitled to attend and vote at the AGM. In order for the holders of Shares to qualify to attend and vote at the AGM, all transfer documents

LETTER FROM THE BOARD

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. 339, 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 Tuesday, 16 May 2017 for registration.

Shareholders who intend to appoint a proxy to attend the AGM 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. 339, 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 AGM (i.e. no later than 11:00 a.m. on Thursday, 15 June 2017) or any adjourned meeting thereof.

Shareholders who intend to attend the AGM (or any adjournment thereof) in person or by proxy should complete and return the reply slip for attending the AGM (or any adjournment thereof) personally 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. 339, 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 AGM (i.e. on or before Friday, 26 May 2017).

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 AGM (or any adjournment thereof) on his behalf. A proxy need 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 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 AGM (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 AGM

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 AGM will therefore demand a poll for every resolution put to the vote at the AGM pursuant to Articles of the Association.

LETTER FROM THE BOARD

On a poll, every Shareholder present in person or by proxy to attend the AGM (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/its uses in the same manner.

RECOMMENDATION

The Board considers that all resolutions set out in the Notice of AGM 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 AGM which are to be proposed at the AGM.

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 ANNUAL GENERAL MEETING IN 2016

NOTICE IS HEREBY GIVEN that the annual general meeting of 2016 (“AGM”) of Xinte Energy Co., Ltd. (the “**Company**”) will be held at the Conference Room of the Conference Center of TBEA Co., Ltd. at No.189, South Beijing Road, Changji, Xinjiang, the People’s Republic of China (“**PRC**”) at 11:00 a.m. on Friday, 16 June 2017 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 2016.
2. To consider and approve the report of the supervisory board of the Company for the year 2016.
3. To consider and approve the final financial accounts of the Company for the year ended 31 December 2016.
4. To consider and approve the Company’s annual report for the year 2016.
5. To consider and approve the profit distribution plan and the distribution of the final dividend of the Company for the year ended 31 December 2016.
6. To consider and approve the remuneration plan for directors and supervisors of the Company for the year 2017.
7. To consider and approve the re-appointment of PricewaterhouseCoopers as the Company’s international auditor for the year 2017 for a term until the conclusion of the next annual general meeting of the Company, and to authorize the board of director of the Company (“**Board**”) to determine its remuneration.
8. To consider and approve the appointment of Mr. Tao Tao as a non-executive director of the Company.

NOTICE OF ANNUAL GENERAL MEETING

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 12 months after the date of passing the resolution as a special resolution at the AGM; or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date of revocation or variation of the authority given to the shareholders of the Company under this resolution by a special resolution in a general meeting of the Company.
- (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 registration and issuance of the super short term financing debentures with a registered principal amount in aggregate of not exceeding RMB2 billion (including RMB2 billion) in the PRC, and according to the needs 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 issuance of the aforementioned super 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 issuance of the aforementioned super short term financing debentures within the scope of authorizations above.
11. To consider and approve the registration and issuance of perpetual medium-term notes with a registered principal amount in aggregate of not exceeding RMB2 billion (including RMB2 billion) in the PRC, and, according to the needs of the Company and market conditions, to issue in separate tranches on a rolling basis within the effective registration period, and to authorize the Board to deal with all relevant matters relating to the registration and issuance of the aforementioned perpetual 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 relevant matters relating to the issuance of the aforementioned perpetual medium-term notes within the scope of authorizations above.

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

Xinjiang, PRC, 26 April 2017

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. **Important:** A circular setting out further details of the resolutions, the form of proxy and the reply slip of the AGM will be dispatched and published by the Company in due course. The Company will also dispatch and publish the Company's annual report for 2016 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 2016 published on the websites of The Stock Exchange of Hong Kong Limited and the Company, or dispatched to relevant Shareholders. The Company's annual report for 2016 includes the Report of Board of Directors for the year 2016, the Report of Supervisory Board for the year 2016, the audited financial accounts and the auditor's report for the year 2016, etc.
2. In order to determine the Shareholders who are eligible to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 17 May 2017 to Friday, 16 June 2017, both days inclusive, during which no transfer of shares will be effected. Shareholders whose names appear on the registers of members of the Company on Friday, 16 June 2017 shall be entitled to attend and vote at the AGM. In order for the Shareholders to qualify to attend and vote at the AGM, 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. 339, 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 Tuesday, 16 May 2017 for registration.

In order to determine the Shareholders who are entitled to receive the proposed 2016 final dividend, the register of members of the Company will be closed from Friday, 23 June 2017 to Wednesday, 28 June 2017, both days inclusive. To be eligible to receive the final dividend for the year ended 31 December 2016 (subject to the approval of the Shareholders at the AGM), holders of H shares of the Company shall lodge all share transfer documents accompanied by the relevant H share certificates 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 Thursday, 22 June 2017.

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 Wednesday, 28 June 2017 (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 Thursday, 22 June 2017, 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. Shareholders who intend to attend the AGM (or any adjournment thereof) should complete and return the reply slip for attending the AGM (or any adjournment thereof) personally 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. 339, 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 AGM (i.e. on or before Friday, 26 May 2017).

NOTICE OF ANNUAL GENERAL MEETING

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 AGM (or any adjournment thereof) on his behalf. A proxy need 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 AGM (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.
6. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in note 5 above must be delivered to the Company’s Board secretary office at No. 339, 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 not less than 24 hours before the time appointed for the AGM (i.e. no later than 11:00 a.m. on Thursday, 15 June 2017) (or any adjournment thereof).
7. A shareholder of the Company or his proxy should produce proof of identity when attending the AGM (or any adjournment thereof). If a corporate shareholder’s legal representative or any other person duly authorized by such corporate shareholder attends the AGM (or any adjournment thereof), such legal representative or other person shall produce his proof of identity, and proof of designation as legal representative or the valid authorization document (as the case may be).
8. The AGM (or any adjournment thereof) is expected to take less than a day. Shareholders or their proxies who attend the AGM (or any adjournment thereof) shall be responsible for their own travel and accommodation expenses.
9. The contact 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: +86-991-366588